



# Department of Justice

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Middle District of Florida

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## **FORMER CAPE CORAL POLICE OFFICER PLEADS GUILTY TO LOAN AND APPLICATION FRAUD**

Fort Myers, FL - United States Attorney A. Brian Albritton announces that James O'Brien (age 37, of Cape Coral) pleaded guilty today to loan and credit application fraud. O'Brien faces a maximum penalty of thirty years in federal prison.

According to the plea agreement, O'Brien, a former police officer with the Cape Coral Police Department, falsified a loan application for residential property in order to obtain a mortgage for which he otherwise would not have qualified. The loan application included an inflated sales price for the property, inflated monthly income, inflated checking account balances, inflated rental income, and a fraudulent statement of intent to use the property as a primary residence. The fraudulent loan application induced the lender financial institution to give O'Brien a loan in the amount of \$593,750.00. In addition, the Housing and Urban Development (HUD) settlement statement presented to the financial institution indicated a payoff amount for existing liabilities of \$150,000.00. That money was not utilized to pay off existing liabilities, however, but was disbursed to corporate entities for the benefit of the various members of the transaction, including O'Brien.

This case was investigated by the United States Secret Service, Internal Revenue Service-Criminal Investigation, and the Federal Bureau of Investigation. It is

being prosecuted by Assistant United States Attorney Nicole H. Waid. This case is a part of the Middle District of Florida's Mortgage Fraud Initiative, a joint effort by the above-listed agencies, the U.S. Attorney's Office, and other federal, state, and local law enforcement agencies throughout the Middle District of Florida. It is a "Phase II" case, brought following the initial wave of Mortgage Fraud Initiative prosecutions, the Mortgage Fraud Surge, which occurred over ten months in 2009 and netted more than 100 defendants. Phase II of the Mortgage Fraud Initiative seeks to build upon the Surge, its leads and techniques, to uncover and prosecute increasingly complex mortgage frauds.